



BUILDING A GREAT COMMUNITY



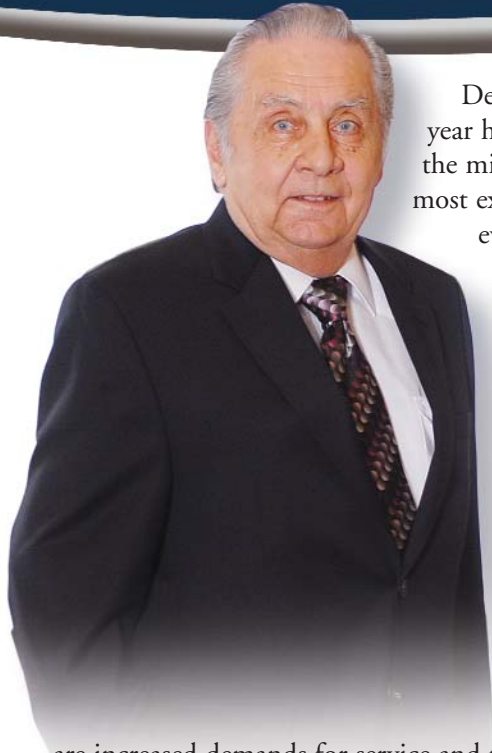
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Message from the Mayor and City Manager

BUILDING A GREAT COMMUNITY



Despite our rich 117-year history, Mansfield is in the midst of some of the most exciting times we have ever faced as a community. Our tremendous growth is transforming our once rural landscape into a small city with the ability to provide our residents with a place to live, work and play.

But this new growth does not come without challenges. There

are increased demands for service and the need for infrastructure improvements to support the new growth. And there is also the constant struggle to maintain a sense of community and high quality of life in an environment of change.

Despite these challenges, Mansfield remains a wonderful place to raise a family, open a business and invest in your future. We have a variety of high-quality residential products to offer homebuyers. New retail offerings give citizens the opportunity to shop Mansfield and spend their sales tax dollars in their own community. New commercial developments and businesses create jobs and allow residents to work in the city where they live.

And there are several exciting new developments on the horizon that will positively impact generations of Mansfield residents. Big League Dreams is under construction, providing dynamic new athletic fields for youth and adults and creating a new entertainment destination in our city. The Shops at Broad Street, a 1.2 million square-foot lifestyle

center will soon begin construction and bring dozens of new retail and restaurant opportunities for residents and create an impressive new public space for the community. Methodist Mansfield Medical Center's opening has given citizens access to quality healthcare and generated jobs and significant capital investment for the city. The city continues to work feverishly to bring a full-service family aquatic center to Mansfield.

These are just a few of the projects that continue to give Mansfield a distinction of being not only one of the fastest growing cities in Texas but also the best city in Texas in which to live. All of these developments represent the hard work of the city council, volunteers, management and staff to ensure that the growth we see in Mansfield has a positive impact on the community. When we say "growth pays for growth," it isn't just wishful thinking. The city's tax base grew 11 percent last year and property owners have not experienced a city tax rate increase in 14 years. In fact, in the last 14 years the city tax rate has been lowered four times. And commercial and industrial are sharing more of the cost, with a \$58 million increase in commercial and industrial investment in Mansfield in 2006 alone.

As Mayor of the City of Mansfield, I join with the members of the City Council in expressing gratitude to those who chose to make Mansfield their home, both residents and businesses. We realize where you choose to make your home or invest your business capital is an important decision. And we appreciate the faith you have placed in our city to provide you with a strong local economy and a quality community to live, work and play.

The success of 2006 continues the exciting story of Mansfield. We believe there are more exciting stories in our future.

A handwritten signature in black ink, reading "Mel Neuman".

Mel Neuman
Mayor

As the Chief Executive Officer of the City of Mansfield, I have the pleasure each year to report to our citizens on the success and strong financial performance of our city. This year, as in previous annual reports, I can report that our city continues to perform beyond all expectations.

There are many who have contributed to our success in building Mansfield into a great community. There are several hundred highly skilled professionals in the employee organization who work diligently each day to provide residents with a high level of customer service for the best value, and they succeed at this goal despite the challenges presented in a fast-growth environment. There are hundreds of dedicated volunteers who give their time serving on city council, city boards or in civic organizations to ensure that Mansfield maintains the highest standards and quality, whether in new development or in community services.

In 2006, the building continued as it has in previous years, with dynamic projects that will positively impact our community and generations of Mansfield residents.

- New commercial and retail development invested \$58 million in the community in 2006, expanding our tax and employment base and allowing citizens to live, work and play in the city they call home. The assessed value of commercial, industrial and residential property in the city grew 11 percent in 2006 to \$3.54 billion.
- Existing businesses in the community prospered and shared their success with the community by expanding and reinvesting in Mansfield. Mouser Electronics, one of the city's major employers, added 125,000 square feet and more than 500 employees to their facility, with the city partnering on the project to provide infrastructure.
- Construction began on three of five new hotels planned for Mansfield as part of the city's growing entertainment and hospitality industry. The new hotel projects were drawn to the city's Big League Dreams sports park, which also was under construction in 2006 with a 2007 opening planned.
- An already stellar park system added a new jewel to its crown as a new community park opened to rave reviews and put the finishing touches on the first phase of the Walnut Creek Linear Park.


What are the building blocks for a great community? It takes strong leadership by city council and volunteers; strategic planning and development; high quality of life;

fiscal responsibility; innovative communications, strong management and dedicated employees. It is with these tools that we in Mansfield are working together to build a great community.

The continued growth of the city and our ability to effectively manage that growth reflects strong leadership by elected officials and the dedication of management and staff. The city's strong financial position was reinforced in 2006 by bond rating agencies Standard & Poor's, Moody's and Fitch, which gave unprecedented upgrades to seven of the city's bond ratings. Standard & Poor's also rated the city management as strong, it's highest rating under new rating criteria that evaluates the management of municipalities.

As a city, we have allowed ourselves to dream big, and create a vision of the kind of community we want Mansfield to be. With a focus on quality in both development and in the lifestyle of residents, we have strategically planned and developed our community to reflect those shared dreams and visions. We have an aggressive approach to economic development with a goal toward expanding our city's tax base and building a strong, local economy. We invest in the elements of community that offer safety and security to all residents. We take advantage of our city's natural beauty to create special places for families to celebrate and enjoy life. We give residents direct access to their local government through innovative technology and communications so they can participate in the process of building their community.

All of these elements together reflect a fast-growing community with a commitment to give its residents the best we have to offer. We believe Mansfield is achieving excellence on many levels and we are excited about the results we have to report. We are honored to serve the residents of this city and are grateful for their continued leadership and willingness to be a part of building this community. Together, we are building a great community.



Clayton Co. Chandler

Clayton Chandler
City Manager

Leadership

community spirit

helping hands

BUILDING A GREAT COMMUNITY

City leaders, volunteers work together to build a better Mansfield

Any effort to build a great community cannot be done alone. For the City of Mansfield, the work of its staff of professionals is partnered with the leadership offered by elected officials, appointed board members and community volunteers.

“Our city has a long history of its residents stepping up and playing significant leadership roles in how our community develops,” said Mayor Mel Neuman, who served eight years as planning and zoning chairman before being elected mayor. “That input is critical in growing our city and especially in building a great community.”

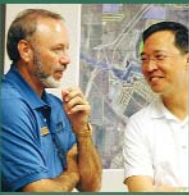
The seven members of the Mansfield City Council spend hundreds of hours each year in meetings and work sessions, debating and evaluating the business of a community that is growing from 12 to 17 percent each year. In 2006, the council reviewed plans for a possible public-private

partnership to build the city’s first aquatic facility. They also worked to develop the city’s first tax increment financing district for a planned development called The Reserve at Mansfield.

The city’s seven boards and commissions are

City Council members, front row, from left: Mayor Pro Tem Mary Ann Johnson, Mayor Mel Neuman, Larry Broseh. Top row, from left: Greg Kunasek, Michael McSpadden, Cory Hoffman, Darryl Haynes.





making a difference



staffed by volunteers appointed by members of the City Council. The Mansfield Park Facilities Development Corporation continued to build the city's award-winning park system and celebrated the opening of Town Park. The Planning & Zoning Commission worked with staff to develop guidelines for approving natural gas drilling in the city. The Mansfield Economic Development Corporation board and the city's economic development staff

began marketing property purchased by the MEDC to companies seeking to relocate.

However it wasn't just the appointed volunteers who

worked to make a difference in the community. The volunteers that make up the Citizens Police Academy Alumni lent a helping hand to the



in support of the library, senior citizens and other public safety departments. Those not volunteering to assist with city programs could be found working with other civic groups such as the Mansfield Area Chamber of Commerce, the Women's Division of the Chamber, Rotary Clubs, Lions Clubs and Kiwanis Clubs, and many of these groups posted record membership growth.

Whether assisting with beautification days or delivering Meals on Wheels, volunteers throughout the city worked to make a difference in the community and in lives of other residents. These efforts, say city officials, represent the spirit of the community and are the reason for the city's success over its 117-year history.

"Volunteers are the heart and soul of a community," said Nike Duckett, community resource officer for the police department. "They work hard because they love this city and they want it to be a great community. They make our jobs easier."



Strategic Planning & Development

economic development



marketing strat



BUILDING A GREAT COMMUNITY

New commercial development drives planning process, infrastructure expansion

The skyline and roadways of Mansfield have changed significantly over the last five years. A five-story hospital and multi-story physician office tower reaches up to the sky adjacent to an open prairie. Neon lights dot the highway announcing retail and restaurants whose parking lots are filled with shoppers and diners from Mansfield and surrounding areas.

The growing development around the community is by design, carefully recruited, built and nurtured to expand the local economy and the city's tax base. It is enhanced by carefully crafted regulations and policies with a focus on quality. Whether it is architectural and design elements or landscaping requirements, the strategic planning and development practiced by the City of Mansfield is a key element in their efforts to build a great community.

"It's rare that you have an opportunity to have an almost blank canvas to make your community what you want it to be," said Director of Planning Felix Wong.

"We can learn from the mistakes of others and be innovative and creative. We want to meet the needs of our unique community with quality and high standards."

The departments of the city responsible for these high goals and objectives – economic development, planning, development services and public works – made significant strides in 2006 as they completed significant development projects and prepared for the exciting ones just around the corner.

The economic development efforts of the city continue to put Mansfield in the local, state and national spotlight as new projects and developments bring new jobs and capital investment to the community.

"Our residential growth and sought-after





demographics attract a lot of attention among developers nationwide," said

Melissa Woodall, director of economic development. "Mansfield is on the radar of many of the country's top retail and commercial developers. All of this positively impacts the community as a whole, especially existing businesses. Many of our existing industries are expanding their operations on the strength of the strong business climate in Mansfield."

One such business is Mouser Electronics. Its success story in 2006 is a perfect example of a cooperative partnership between the city and local businesses. Mouser expanded its distribution facility in Mansfield, adding more than 125,000 square feet and doubling its workforce to more than 660 employees. Mouser's \$14 million capital investment in the project was supported by a \$486,850 investment for nearby infrastructure by the Mansfield Economic Development Corporation.

"For a \$486,850 investment, the city received 300 to 500 new jobs and \$17 million in capital investment," Woodall said. "We believe that to be an excellent example of leveraging city incentives."

A similar economic development agreement relocated Universal Air Conditioning to Mansfield. The automobile air conditioning distributor is constructing a \$6 million, 200,000 square-foot warehouse facility and bringing 100 jobs with it.

Medical development again played an important role during 2006 as the city continued to reap the

benefits of Methodist Hospital system's \$134 million facility which opened in late 2006.

With 500 to 700 jobs and a \$46 million annual economic impact, the hospital became the centerpiece of the city's new medical district, drawing ancillary businesses such as pharmacies, physician offices, medical products and services and assisted living facilities. Two additional hospital companies own land in Mansfield, and have plans to develop in the city.

Even with active development of medical and distribution facilities, retail and commercial continued to garner the most attention, especially



among residents eager for more shopping and dining experiences.

Mansfield Town Center East and West continued to expand, adding new retailers including Michael's, Petco, Fed Ex Kinkos and several new restaurants. In late 2006, Kohl's department store was announced, adding to the mix of new development in the busy East Broad Street corridor. The store is scheduled to open in October 2007.

The retail activity and the city's growing entertainment district on the southeast side drew



major hotel developers to the community with five projects on the drawing board. By the end of 2006, three of the five projects – Best Western, Holiday Inn Express and La Quinta – were under construction.

Much of the retail focus in 2006 was in finalizing the details of Forest City's Shops at Broad Street lifestyle center. Scheduled for groundbreaking in 2008 and opening in spring 2010, the 1.2 million square-foot project was featured at the 2006 International Council of Shopping Centers convention in Las Vegas and is gaining the attention of the nation's top retailers.

The interest in Mansfield in general has kept the economic development staff busy for the last 10 years. While focusing on target markets of electronics and telecommunications, chemical manufacturing, healthcare, warehousing and logistics, food manufacturing and retail, the MEDC has also given attention to the city's older industrial parks, investing in street reconstruction and other infrastructure improvements. The city has also invested in the industrial parks as a property owner, purchasing 55 acres of land and extending a road within the industrial park to improve access to additional land. Two parcels of the land have been sold for two major business relocations, Peri Forms and Gruber Systems, both of whom plan to build facilities in the city.

The productive 2006 for economic development caps a successful nine years since the MEDC was formed. In that time, 95 projects were undertaken, 57 of those were

new companies coming to Mansfield. The MEDC's capital investment of \$16.5 million was eclipsed by the capital investment by the private sector of more than \$249.5 million.

As projects begin, planning department officials step in to ensure the city's development guidelines are met. Over the last five years, changes to the city's zoning ordinances have addressed architectural standards, articulation, signage, landscaping and masonry requirements for both commercial and residential.

"These requirements have made a significant impact in the quality of development we are seeing throughout the city," said Felix Wong, planning director. "Both the city council and the planning and zoning commission, as well as the staff, have focused on crafting zoning regulations that reflect what we want this community to look like and how we want it to develop."

That was the intent of regulations put in place for The Reserve at Mansfield, a 1,500-acre undeveloped area in the city's southeast sector which is also the city's first tax increment financing district (TIF). Working with property owners and developers, city leaders enacted development





capital investment

inspections

standards

in 2006 to guide

The Reserve into a planned development of corporate campuses, retail, commercial and residential mixed with open space and public facilities.

Other design guidelines were put in place in 2006: standards for hotel and motel development and guidelines addressing historic residential properties. The city's historic downtown area also received attention last year as planning officials directed efforts towards revitalization. Led by a consultant with expertise in historic preservation and revitalization, a steering committee that included downtown business owners was formed and began identifying the vision for the area, which dates to the 1880s.

Also occupying the planning staff's time was the increase in gas well drilling on property in the city. Mansfield's location on the natural gas-rich Barnett Shale has led to 46 wells permitted since 2005 with dozens more expected in the next year.

Additional building inspectors with both commercial and residential experience have joined the department's inspectors, plans examiners and clerks to improve customer service and streamline the development review process. Anticipating the city's growth in commercial development, officials in the Development Services Department have focused attention on expanding staff over the last several years.

"The projects our staff are reviewing are more complex than ever," said Paul Coker, building official for the city. "There are multi-story projects and some with specialized construction, like the hospital and Big League Dreams. And there are



others, like the Shops at Broad Street, which are just very large projects. Increased regulations dealing with safety and environmental issues has made coordination between all city departments more important than ever."

Administrative changes were made to improve efficiency such as dividing inspectors into residential



infrastructure



water service

and commercial inspector positions, adding a permit technician and improving the permit process with special guides and handouts for builders.

Although new construction was the primary focus, keeping existing construction up to code was also an important goal for the department. Code Compliance officers stepped up enforcement, not only through inspections but through community outreach.

Working with local non-profit organizations, code officers provided assistance to residents and businesses needing to bring structures up to code.

"It wasn't just about writing tickets for code violations," said Richard Wright, director of development services. "Our goal is to improve the look of the community through code enforcement and sometimes that means getting help to people who need it the most. Our officers know that if there is a problem outside, there is probably a problem inside."

The city's infrastructure continues to expand and 2006 was no exception. The public works department added more than 7.2 miles of new streets, 7.7 miles of water lines, 6.6 miles of sewer lines and 3.7 miles of storm sewer during 2006, with much of the focus on extending streets, water

and sewer into the growing southeast sector of the city.

"Historically the city has worked to stay ahead of the growth as much as possible in terms of infrastructure," said Director of Public Works Steve Freeman. "There are several major projects coming on line in the next few years that are driving many of the street, water and sewer work we are doing now."

Major roadway improvements in 2006 included:

- Completion of expansion of Matlock Road into a four-lane thoroughfare including a portion elevated above the flood plain.
- First phase of the extension of Matlock Road south into The Reserve and extension of Heritage Parkway South to Highway 360.
- Widening of Holland Road and East Broad Street east of Highway 360.
- Utility relocation for the expansion of West Broad Street.

Preliminary work began on road improvements near the planned Shops at Broad Street development. Frontage roads connecting East Broad Street and Walnut Creek Drive along Highway 287 were added to the 2006 Tarrant County Bond program approved by voters. Design work on the

road improvements



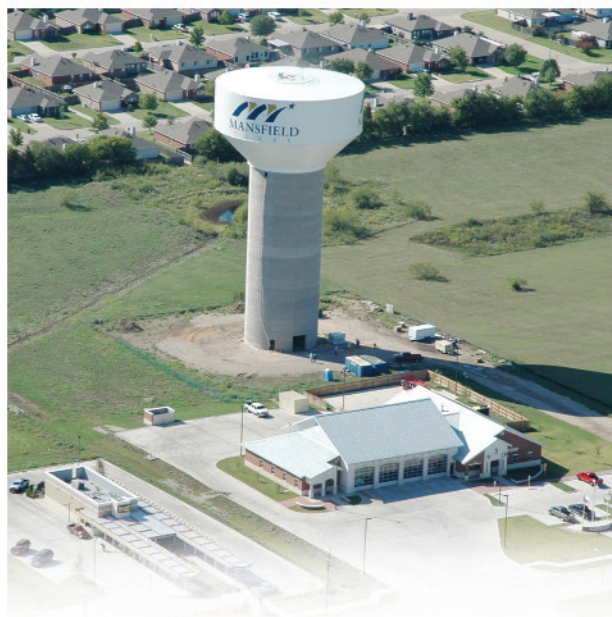
project – which also includes the addition of turnarounds on both the Walnut Creek and East Broad bridges – began by the end of 2006.

“We were able to secure more outside funding than ever before,” Freeman said, as more than

\$20 million was earmarked from the county and state for Mansfield projects.

To assist in guiding the growing number of street projects, a transportation engineer was added to improve staff expertise in technical issues related to transportation projects. The move is also expected to improve cooperation with outside agencies and speed up the review process for state funding.

Improving water service to the growing community got easier with the addition of an \$8 million, two million-gallon elevated storage tank located behind Fire Station No. 3 and 42-inch and 36-inch water mains from the city’s water treatment plant southeast toward The Reserve.



Economic Development 2006 Fast Facts

- Number of estimated jobs created by MEDC projects in 2006: 830
- Amount of sales tax collected by MEDC from 1997 to 2006: \$20 million
- Number of hotel rooms in Mansfield with completion of five new projects: 500-plus
- Return on land investments to date: \$1.5 million

Public Works 2006 Fast Facts

- Miles of paved/concrete streets in Mansfield: 237 miles
- Miles of water lines: 265 miles
- Miles of sewer lines: 232 miles
- Miles of storm sewer line: 79.4 miles

Development Services 2006 Fast Facts

- Number of commercial projects: 62
- Number of residential building permits: 663
- Total value of residential building permits: \$140.47 million
- Average square footage of new residential home: 3,739 square feet

The city’s storm water management program, mandated by the state and funded in 2005, began its public education campaign designed to inform residents on the dangers of polluting creeks and other water sources. Named the Mansfield Clean

Water Project, the effort hosted its first creek cleanup, with 175 volunteers collecting more than 1,100 pounds of trash from Walnut Creek.

Quality of Life



athletic facilities

BUILDING A GREAT COMMUNITY

City's parks system, library help define community's great quality of life

With a high quality of life envied by many of its neighbors, Mansfield continually invests in services that allow residents to interact with one another and create a sense of community. From its spacious parks and open

spaces to educational and recreational programs, the departments in the city's community services division provide an outlet for those striving to create a unique quality of life in one of the area's fastest growing cities.

"This is where we can truly see the evidence of how much the city is growing," said Shelly Lanners, director of parks and recreation. "The growing number of participants in youth sports, registration for recreation classes and just the number of people out enjoying the parks and trail system show us every day how our population is increasing and how important quality of life is to our residents."

In 2006, both the parks and recreation department and the library celebrated important milestones and began making big plans for the future.

Construction starts and completions took center stage for the parks and recreation department last





year. Some of the completed projects were the culmination of many years of planning by the Mansfield Park Facilities Development Corporation and were priorities identified by the community during the 10-year master plan process.

“The Top 10 priorities identified in the 2002 master plan will be complete by 2008,” Lanners said. “This represents a tremendous effort on behalf of the MPFDC to give residents the park system they want. These priorities were identified by residents as

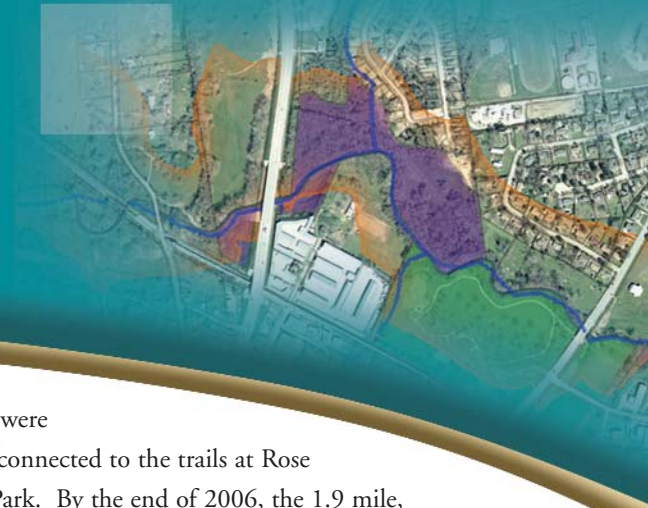
being important to making our parks system successful and meeting the needs of our growing community.”

Construction began on Big League Dreams Mansfield in spring 2006. The eight-field complex features replicas of Major League Baseball parks as well as a 20,000 square-foot indoor pavilion for soccer and special events. The facility, built by the city, will be operated and maintained by California-based Big League Dreams.

“This facility will provide much-needed athletic fields for youth and adults as well as be an economic draw for the



aquatic facility



were connected to the trails at Rose Park. By the end of 2006, the 1.9 mile, first-phase of Walnut Creek Linear Park had been linked to five city parks, three neighborhoods and two schools, and stretched along

city,” said Assistant City Manager Cathy Anderson. “The hotels currently building in Mansfield are here in anticipation of the Big League Dreams Sports Park.”

The park is expected to open in summer 2007.

Other construction projects undertaken by the department in 2006 included more than \$200,000 in improvements at the Mansfield Sports Complex, improvements at Katherine Rose Memorial Park and new signage at all city parks.

But 2006 was also about celebrating the end of construction. In June 2006, the city opened Town Park. The award-winning 19-acre park, featuring a 300-seat outdoor amphitheater, is the western trailhead to the city’s Walnut Creek Linear Park.

Once completed in June, Town Park’s walking trails



the scenic creek from Highway 287 on the east to North Main Street on the west.

“The linear park represents the vision of many people in this community,” said Mike Skinner, president of MPFDC. “Seeing families out along the trail, walking, biking and enjoying the natural beauty of the creek brings a real sense of accomplishment to everything we have tried to do over the 15 years of the MPFDC.”

The plan to extend the linear park 10 miles across the city from its western city limits to Joe Pool Lake took a huge step forward in 2004 when the MPFPC purchased 66 acres along Walnut Creek east of Matlock Road for a community park and the second phase of the linear



Walnut Creek Linear Park



big league dreams

park.

Construction is expected to begin in 2011 and be completed in 2013.

Planning also began on Mansfield's first aquatic facility, approved by voters in a 2004 bond election. City leaders began exploring a possible partnership with a water park company to build the facility, with plans to locate the park next to Big League Dreams. Design work on an expansion to the city's successful Mansfield

basketball in the afternoon. The seniors play cards and make crafts and the kids take karate lessons. It's a center the whole city can enjoy."

More than 82,000 visits to the MAC were logged in 2006, with more than 5,000 people attending classes offered through the recreation program. More than 8,000

attended special events at the facility, which ranged from the annual Hometown Holidays celebration to the annual Father-Daughter Sweetheart Dance.

The department also sponsored and hosted several major athletic events including the Texas Amateur Athletic Federation track program and

the Junior Olympics skills event.

With completion of the Top 10 projects in sight, work is already beginning on an update to the Parks & Recreation master plan in 2007. "We will continue to update the master plan as needed to meet the changing needs of the community," Skinner said.

The success of the city's parks program was matched only by the continued success of the Mansfield Public



Activities Center is set to begin in 2007. With completion scheduled for 2009, the \$3 million expansion project will be the focus of community meetings to determine amenities for the new space.

"The MAC has become a focal point and gathering place in the community," said Andrew Binz, recreation superintendent. "We have toddlers and their moms playing the gym in the morning and teams playing

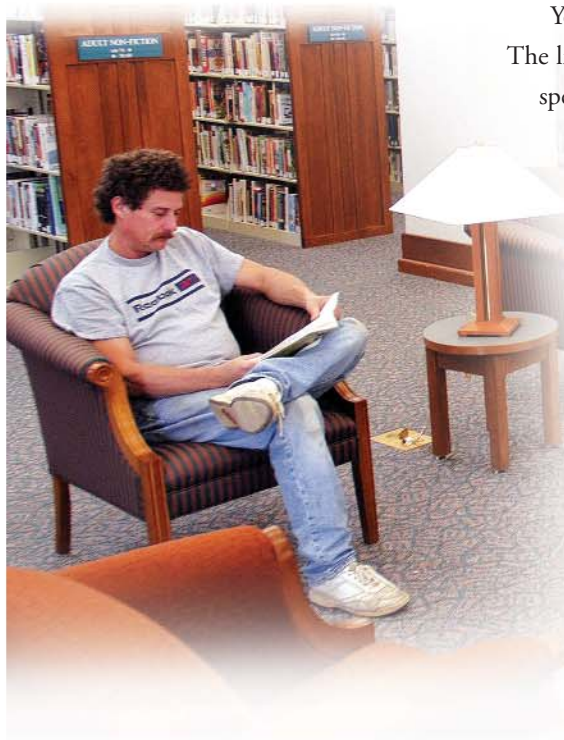
summer reading club



Library. With the opening of the new library in 2001, the city began a new level of service to the community. An expanded collection, computers and Internet service and children's programming have helped the library post more than 20 percent growth annually in attendance.

In 2006, library staff began concentrating on extending its outreach to the community. Free classes in computer literacy and gardening were added to the program list.

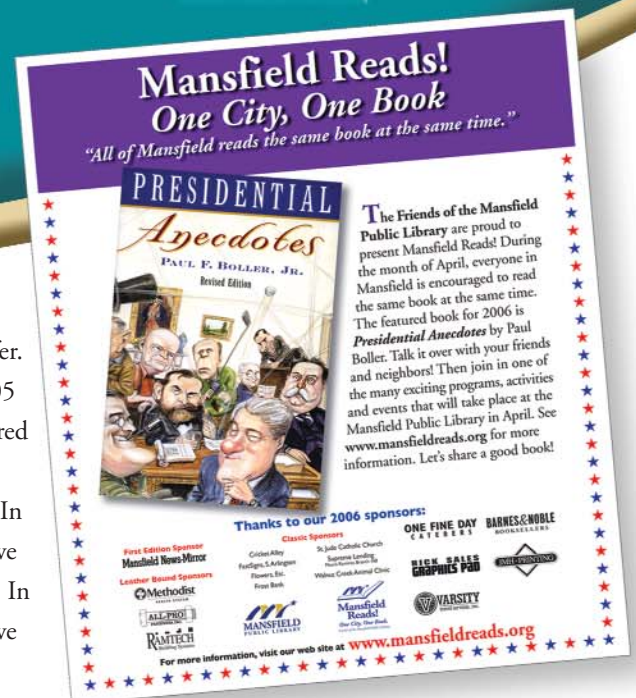
"We not only had an increase in the number of classes but in attendance," said City Librarian



Steve Standefer. "In 2005 we offered nine classes. In 2006, we had 33. In 2005, we had 90 people attend classes. In 2006, we had 310 people."

Young people also remained a focus of the library. The library's Teen Council met regularly, planning special programs for ages 12 to 18. The council took an active role in selecting materials aimed at young people for the library's collection. The summer reading program continued to grow with a 20 percent increase in the number of participants. Overall, youth programs at the library saw a 47 percent increase in program attendance.

The community's connection to the library remained strong as volunteers worked through the Friends of the Mansfield Public Library to raise funds and plan programs.





The Friends once again joined with the library to host Mansfield Reads!, the city's award-winning one-city, one-book program. Readers across the city participated in reading the selection and dozens of people attend a special author event with leading presidential historian F. Paul Boeller, who's book was the featured selection.

"I think everyone has a deep love for our library," said Paula Highfill, president of the Friends group. "It is important to a community's success for its public library to be strong. And to be able to play a part in making that happen is extremely worthwhile."

Technology also drives many of the library's new programs and services. Additional computers were added in 2006 to provide more room for patron usage and the library became the first public building to offer wireless.

Looking ahead, library officials began preliminary work on an expansion of the library, approved by voters in a 2004 bond election. Set to begin construction in late 2007 with a fall 2008 opening, the extension to the current facility will add 7,000 square feet and provide additional meeting rooms and allow for a specific

children's and youth section.

"The library has the ability to change with the community," Standerfer says. "But we're also a place that can reflect where a community

has been, our history and our heritage. We've served the city for more than 75 years and we're ready to serve Mansfield as we move into an exciting future."

Parks & Recreation 2006 Fast Facts

- Total acres of parkland: 489 acres developed
114 acres undeveloped
- Grounds crews maintain 68,828 square-feet of flower beds, 846 acres on public grounds
- Miles of right-of-ways mowed: 71
- Acres of athletic fields maintained: 47
- Acres of medians maintained: 23 acres irrigated
32 acres non-irrigated
- Visits to the MAC: 82,318
- Program attendance: 5,341

Library 2006 Fast Facts

- Total items in the collection: 65,527
- Total circulation: 350,00, a 25 percent increase over 2005
- Total hours of computer use: 29,426, a 31 percent increase over 2005
- New cards issued: 5,368, a 24 percent increase over 2005
- Number of volunteer hours: 1,773

Safe Community

fire department

dispatch



police department

BUILDING A GREAT COMMUNITY

Technology enhances efforts of expanding public safety staff to keep community safe

The safety of a city is as much a key to its success as its financial strength; the ability to illicit a feeling of comfort and security among citizens not only within their own homes but within the community environment as a whole.

Mansfield's Public Safety Division in recent years has focused attention on fulfilling its mission by increasing staffing to respond to the city's tremendous growth. In 2006, the departments within the division – police, fire, municipal court, jail operations and animal control – also turned to technology to improve internal operations and give its officers 21st century weapons to help keep the community safe.

With a new computer aided dispatch (CAD) system, Mansfield police officers and firefighters now have access to critical information on the scene and can use the technology to coordinate response, and if needed, rescue.



“The impact in the field is tremendous,” said Assistant Fire Chief Barry Bondurant, who supervises the fire department's operations. “Our trucks have computer information available to them as the dispatchers are getting the information. The system is tied to the city's GIS (geographic information system) maps which give us important



information especially on local businesses and structures. And with our call volume increasing 11.8 percent each year, having all the information we can at our fingertips can only help us provide the best fire safety to residents and businesses.”

The technology improvements for the fire department also included a direct connection to the

city’s new hospital – Methodist Mansfield Medical Center – which opened in late 2006 as the first full-service hospital in the city in more than 20 years.

“We worked closely with the hospital to establish emergency medical protocols for our paramedics, such as what patients we will transport to the emergency room,” Bondurant said. “We also established a radio link with the hospital so our medics can talk directly to the physicians in the ER. The relationship between the fire department and the hospital is something that will continue to develop.”

But even before paramedics are in radio contact with the hospital, they are improving emergency care to residents with specialized training in emergency medical procedures. Additional work stations in the dispatch center expanded the number of dispatchers able to efficiently process the increasing number of calls for service.





As the department moved toward the opening of a fourth station in 2008 and fully staffing all shifts, firefighters also began focusing on specialized training to broaden its expertise in rescue situations. Classes and exercises in swift water, trench and high-rise rescue gave fire personnel the opportunity to train in real-life scenarios recreated by instructors. The result was the creation of the department's first technical rescue team.

The Mansfield Police Department also embraced the new technology as the CAD system improved communications between patrol officers as well as between police and fire officials.



resolving two dangerous hostage situations. A second officer was added to the mounted patrol unit providing support and aid during large community events such as Hometown Festival and National Night Out.

"The challenge for officers continues to be the increase calls for service," says Deputy Police Chief Mac Bennett. "However improvements like the new CAD system helps take stress off the officers in the field. They're getting the current information on the activities in the city."

At the Mansfield Law Enforcement Center, new technology aided in improving security for the jail facility as the city began the first year of a 10-year agreement with the City of Fort Worth to house their prisoners, a contract valued at more than \$56 million to the city over those 10 years. Upgrades in security cameras and other facility improvements were completed in 2006.

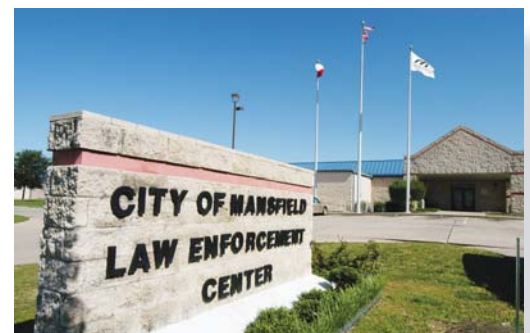
The technology binding all public safety operations also included the municipal court. New records management software made court documents more accessible for public record, and more

accessible to officers who can access both jail and court information



Realignment of patrol districts allowed officers to focus on growth areas of the community and the traffic unit was expanded to allow for increased traffic enforcement.

Like their fire department counterparts, police officers also directed attention to special units that extended the department's ability to fight crime in unusual situations. The SWAT unit and the crisis negotiation team, both in their 10th year of service to the department, were called on to provide mutual aid in nearby communities and were instrumental in



animal care & control



from
patrol car
computer
terminals.

Not to be forgotten, Animal Care & Control officers conducted business in expanded facilities in 2006. The new kennels gave officers more room to house animals and improve adoption ratios. With separate intake and adoption areas, the shelter reached a 56 percent adoption rate of the 730 animals brought there in FY 06.

Animal Control officers, facing a growing animal population to match the growing number of residents, began working closely with other public safety departments to more effectively deal with issues and concerns.

"We've made improvements in administrative procedures and policies that have helped us as we deal with the increases we are seeing in our animal population," said Alex Rodriguez, assistant director of public safety. "The expansion has doubled our capacity but also enabled us



to improve the quality of the facility. We are now a certified quarantine facility and received excellent reviews on the state inspection."

Animal Control receives extensive community support, with volunteers working at the shelter each week. The annual Pet Mania event, now in its fourth year, draws residents for activities that promote pet care and encourages responsible pet ownership. The event has raised more than \$10,000 toward the purchase of a mobile pet adoption unit.

Since reorganizing under the public safety concept in 2005, department officials say they see an increased level of efficiency and cooperation that is especially important in a growing city. The technology enhancements have made that cooperative effort easier.

"All of the public safety departments are connected now, whether it's on the radio or by computer," said Deputy Police Chief Gary Fowler. "Being able to share information and communicate only helps us do our jobs better. And in many cases, it helps save lives."



Innovative Communications

municipal cable channel



wireless technology

BUILDING A GREAT COMMUNITY

Technology, communications keep residents and employees connected

Investment by the City of Mansfield in technology, communications and marketing represents a concerted effort by city leadership to connect with citizens, using public information tools and the latest in technology.

The Information Technology Department, created in 2001, has focused attention on improving the work environment for employees by improving connectivity between city facilities and providing specialized software for departments such as utility billing, development services and finance.

"In addition to improving the desktop computers used by employees, we also began working on improving the city's network," said Todd Williams, IT director for the city. "This department plays a support role for all city departments. We play a support

role to make sure that all departments have the technology they need to do their jobs."

In 2006, the IT department worked with the public safety division to implement the new CAD (computer aided dispatch) system, which allowed police officers and firefighters to work in the field and connected all public safety departments by computer. In addition, the IT department implemented new ambulance billing software for the fire department.

The most visible technology improvement in 2006 was at the Mansfield Public Library where the IT department added wireless technology for patrons at the facility, the first public building in the city to provide wireless.

"Cities around the country are beginning to see wireless as a necessary service for local residents and businesses," Williams said. "We continue to look for opportunities to expand service for residents."

Among the other IT projects in 2006: equipping both the Mansfield Activities Center and the municipal court to provide



marketing efforts



credit card payment of programming fees and fines. The department also began researching software available to begin digital record and agenda management in the city secretary's office.

At the same time the IT department began in 2001, the city started its first Public Information Office to communicate information on city government, city services and city events to residents.

However in 2006, the department moved its mission to the next level. With a new name, Communications & Marketing, and a new staff person, the department added a support role to its list of responsibilities.

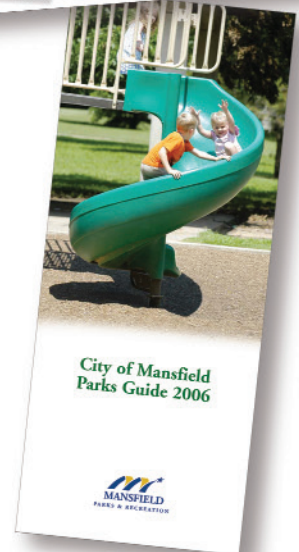
"The goal was for the Communications & Marketing Department to serve as an in-house marketing and public education agency for the city and its departments," said

Belinda Willis, director of communications & marketing.

"We're here to provide support for the departments as they work on educating the

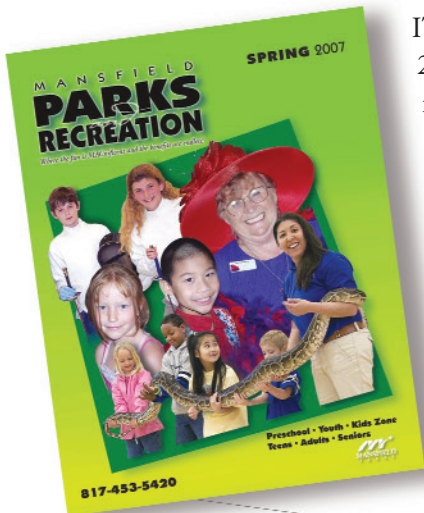
public on their projects. Whether it's with brochures or advertising or marketing a special event, we want to be there to assist."

In addition to producing the quarterly citizen newsletter, annual report and recreation catalog, the communications & marketing department worked with the parks & recreation department to develop a parks guide as well as the marketing campaign for the opening of Town Park.



Also in 2006, the department created a logo and marketing campaign for the city's

storm water management program. Other projects included work with the IT department on the city's website and continued expansion of the community bulletin board on the city's government cable channel.



Dedicated Employees



service oriented

BUILDING A GREAT COMMUNITY

Dedicated employees, management team keep the focus on customer service, strong job performance

The 450-plus employees of the City of Mansfield, facing the day-to-day challenges of working in a fast-growing city, still manage to maintain a high level of customer for residents. For these employees, many of whom have been with the city for more than 10 years, taking care of residents is job one.

"Our employees dedicate themselves to the community and the job of building this city," said City Manager Clayton Chandler. "They take pride in their work and they make a significant impact each and every day. And we have employees who are considered by their peers as among the best in their fields."

In turn, the management team gives employees the opportunity to grow with the organization and continue their training. Many workers gain additional certificates in specialized fields, or work in continuing education programs sponsored by state and national associations.





“Employee training and certification gives employees the chance to grow and gain expertise that in turns benefits our customers, the residents of this city,” said Kathy Buehner, director of human resources. “And they are doing this while dealing with heavy workloads and high demand.”



In addition, employees are consistently evaluating internal operations and procedures, looking for ways to improve efficiency and customer service.

The city’s 10-year strategic plan, considered innovative when it was first implemented in 1999, remains a key component of the city’s financial planning and management. The plan identifies infrastructure, capital and personnel requirements



based on the city’s growth over a 10-year period, allowing for specific financial planning of the city’s needs.

The city’s Finance Department has been awarded the Distinguished Budget Excellence Award by the Government Finance Officers Association for the last 17 years, an indication of the city’s focus on strong fiscal policy and planning.

Improvements in other business areas include streamlining utility billing operations with new software and encouraging citizen use of online bill payment.

The management team, with combined experience of more than 100 years, continues to successfully manage the city’s growth while maintaining its strong fiscal position. In 2006, the city’s management team received a strong rating by Standard & Poor’s – its highest rating – under a new bond rating criteria that evaluates the management of the organization in addition to its financial strength.

“The Financial Management Assessment of ‘strong’ indicates that the city’s practices are strong, well embedded and likely sustainable,” said Standard & Poor’s in their research summary.



Achievements

award-winning

BUILDING A GREAT COMMUNITY

Achievements for 2006

Distinguished Service Award, City Manager Clayton Chandler – ICMA, 2006

Hall of Fame, City of Grand Prairie – Cathy Anderson, 2006

Savvy Award Finalist, Best Annual Report – 3CMA, 2006

Certificate of Achievement for Planning Excellence – Texas APA, 2006

Top Economic Development Agencies – Dallas Business Journal, 2006

The Shops at Broad Street, Best Real Estate Deal Finalist – Dallas Business Journal, 2006

Budget Excellence Award – Government Finance Officers Association, 2006

Town Park, TRAPS Region 2 Facility Design Award – Texas Recreation and Parks Society, 2006

Gold City Award – Texas Amateur Athletic Federation, 2006

Small City Award – Texas Amateur Athletic Federation, 2006

Excellence in Libraries Award – Texas Municipal Library Directors Association, 2006

Officer Daniel Sherwin, Crisis Negotiator of the Year – Texas Association of Hostage Negotiators, 2006



Financial Statement

Overview of the City of Mansfield Financial Condition

The City of Mansfield's financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. The government-wide financial statements are designed to provide readers with a broad overview of the city's finances, in a manner similar to a private business. This brief overview concentrates on the government-wide financial statements only. A more comprehensive analysis and narrative about the fund financial statements and the notes to the financial statements are included in the city's Comprehensive Annual Financial Report (see Page 18 for availability).

The government-wide financial statements distinguish functions of the city supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover their costs through user fees and charges (business-type activities).

- The governmental activities include general government, public safety, public works and cultural and recreational activities.
- The business-type services include water and sewer, the law enforcement center and drainage services.

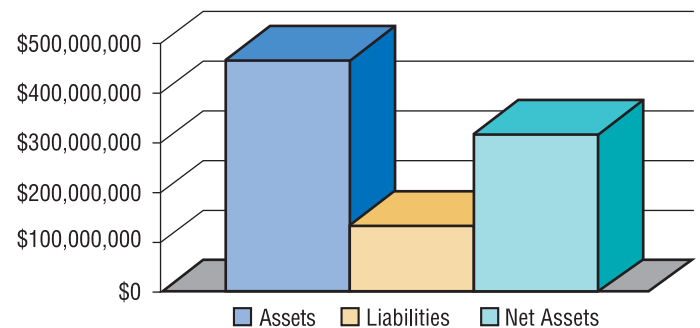
The government-wide financial statements include not only the City of Mansfield itself (known as the primary government), but also a legally separate Mansfield Economic Development Corporation (MEDC) for which the city is financially accountable. Financial information for this component unit is reported separately from the

financial information presented for the primary government. The Mansfield Park Facilities Development Corporation (MPFDC), although legally separate, functions for all practical purposes as a department of the city and has been included as an integral part of the primary government.

City of Mansfield Financial Highlights

Statement of Net Assets

The statement of net assets presents information on all of the city's assets and liabilities, with the difference between the two as net assets. Over time,



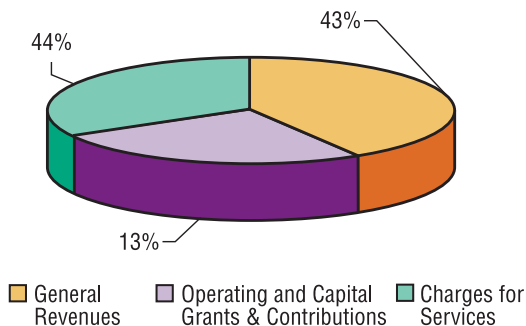
increases or decreases in net assets may serve as a useful indicator of whether the financial position of the city is improving or deteriorating. For fiscal year 2006, the city's assets exceeded its liabilities by \$321,308,842 (net assets). This increased by \$16,367,650 from the fiscal year 2005 net asset position.

Statement of Activities

The Statement of Activities reflects the total revenues generated and entire costs of operating the services of the city. The Statement of Activities for the fiscal year ending September 30, 2006 reports total revenues of \$79,760,523 and total operating expenses of \$63,392,873.

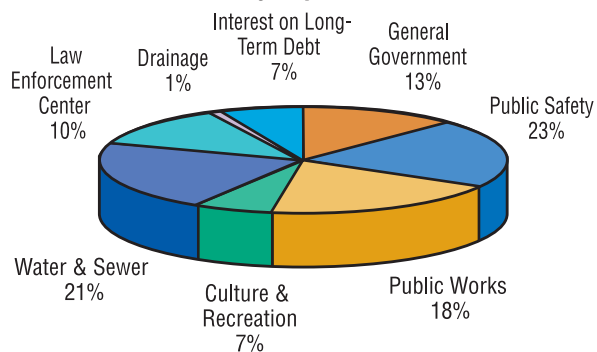
Financial Statement

City Revenue by Source



City revenues consist of program revenues and general revenues. Program revenues are charges for services, as well as operating and capital contributions and grants for a specific operating activity (i.e. water and sewer, public works). General

City Expenses



revenues are property taxes, other taxes (i.e. sales tax and franchise tax), investment earnings, and the gain on the sale of capital assets. Operating expenses include the day-to-day expense of operating the city.

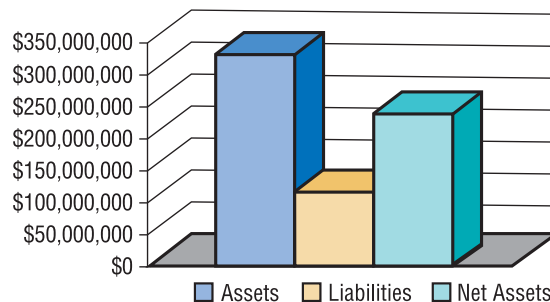
Governmental and Business-type activities

Individually within the City of Mansfield Financial Statements, governmental activities and business-type activities are reported separately and independently. The two activities are separated because of the nature of their operating activities and the funding of their activities.

Governmental Activities

The general fund is the chief operating fund of the governmental activities of the city. Most of the

Statement of Net Assets-governmental activities



operating revenue & expenses in the governmental activities occur within the general fund.

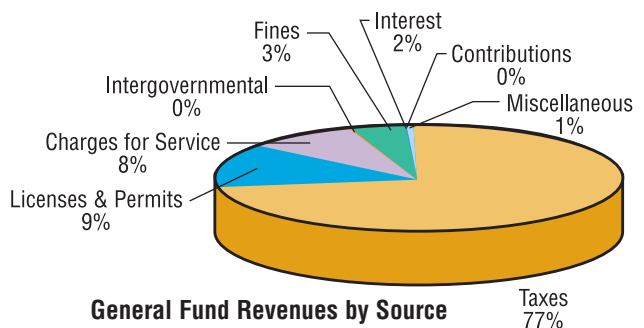
Statement of Net Assets

The Net Assets for the governmental activities increased \$6,646,370 in fiscal year 2006. The primary reasons for the increase are the efficient management of operating expenses and an increase in property valuations.

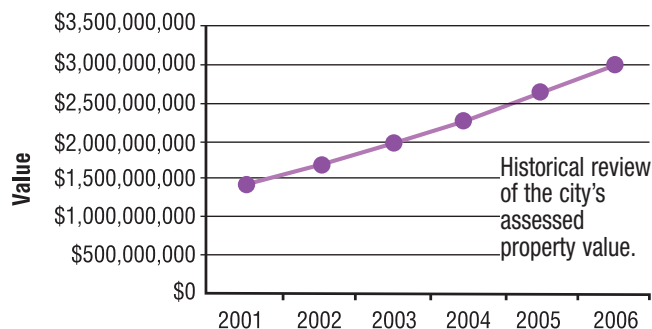
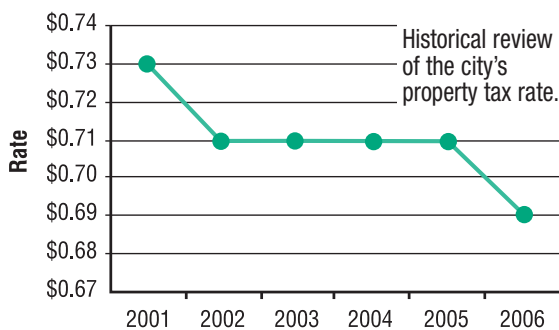
Statement of Activities

General Fund Operating Revenues

The city's general fund revenues increased when compared to the prior year by 7 percent or \$1.67



million. The main reason for this increase was the value of new construction and real property

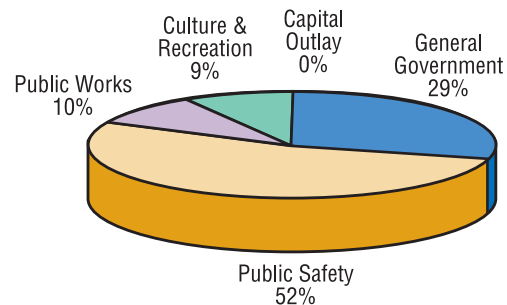


within the City of Mansfield. The overall assessed value of the property in the city increased by \$360 million or 13.4 percent as compared to the prior year.

Additionally, sales tax revenue increase by 10.5 percent or \$496,792 compared to the prior fiscal year. Per Capita Sales Tax has increased approximately \$30 over the past several years. This is the approximate equivalent of 25 percent of the annual average tax rate over the past several years. The increase in sales tax is attributed to the addition of new retail businesses within the city.

General Fund Operating Expenses

Historically over the past nine years personnel costs have averaged approximately 70 percent of the general funds operating budget while the remaining 30 percent have been expensed for other operating



costs (i.e. utilities). Per Capita, on average over the past nine years, for every 1,000 Citizens the city has employed approximately 0.6 full time employees.

Business-type activities

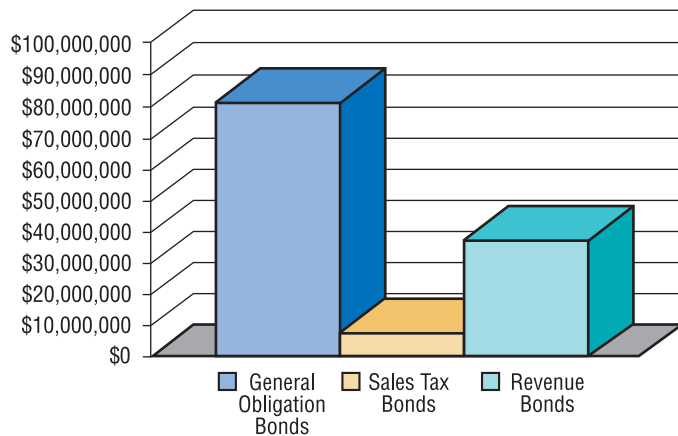
The city has three primary business-type activities: Water & Sewer Fund, Law Enforcement Center and a Drainage Fund.

Overall revenues of the city's business-type activities were \$30.7 million for the fiscal year ending September 30, 2006. Expenses for the city's business-type activities were \$21.0 million for the year, resulting in an increase in nets assets of \$9.7 million.

Financial Statement

Government-wide Debt Administration

At the end of the current fiscal year, the City of Mansfield had total bonded debt outstanding of \$132,965,000. Of this amount, \$85,755,000 comprises debt backed by the full faith and credit of



the city and \$11,695,000 is revenue debt supported by a sales or transit tax. The remainder of the city's debt represents bonds secured solely by specified revenue sources (i.e. revenue bonds).

The City of Mansfield's total debt increased by \$3.775 million, or 2.92 percent, during the current fiscal year. The key factors in this increase were the \$6.905 million general obligation bond issuance for the city's Capital Improvement Plan for streets, and a fire station. The issuance of \$1.5 million in Tax Notes for the renovation of City Hall and fire equipment. Also, the city issued \$3.94 million to

Underlying Ratings

Company	Insured Ratings	General Fund Bonds	Water & Sewer Revenue Bonds	Sales Tax Revenue Bonds	Drainage Revenue Bonds
Moody's	"Aaa"	"Aa3"	"A1"	"A1"	"A1"
Standard & Poor's	"AAA"	"AA-"	"A"	"A"	"A"
Fitch	"AAA"	"AA-"	"AA-"	"A+"	"A+"

design, construct, improve and equip recreational and park facilities including the acquisition of land.

Requests for Information

As management of the City of Mansfield, Texas we offer readers of the City of Mansfield's financial statements this narrative overview and analysis of the financial activities of the City of Mansfield for the fiscal year ended September 30, 2006. This information is not intended to be a complete statement of the City's Financial Condition. We recommend and encourage readers to consider this information as excerpts from the City of Mansfield, Texas Comprehensive Annual Financial Report. A copy of the City of Mansfield, Texas Comprehensive Annual Financial Report may be obtained at 1200 E. Broad Street, Mansfield, Texas 76063.

City of Mansfield
Statement of Activities
For the Year Ended September 30, 2006

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Assets		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government Business-type Activities		Component Unit MEDC
					Governmental Activities	Total	
Primary government:							
Governmental activities:							
General government	\$ 8,216,177	\$ 4,167,245	\$ 3,909	\$ 9,080	\$ (4,035,943)	\$ (4,035,943)	\$ -
Public safety	14,707,857	619,705	36,718	94,955	(13,956,479)	(13,956,479)	-
Public Works	11,281,529	1,960,826	-	7,756,611	(1,564,092)	(1,564,092)	-
Culture and recreation	4,659,916	677,592	29,966	10,000	(3,942,358)	(3,942,358)	-
Interest on long-term debt	4,180,465	-	-	-	(4,180,465)	(4,180,465)	-
Total governmental activities	43,045,944	7,425,368	70,593	7,870,646	(27,679,337)	(27,679,337)	-
Business-type activities:							
Water	10,158,287	14,798,650	-	1,279,175	-	5,919,538	-
Sewer	3,155,057	4,901,479	-	1,146,931	-	2,893,353	-
Law enforcement center	6,273,216	6,023,576	-	-	-	(249,640)	-
Drainage	760,369	1,114,103	-	-	-	353,734	-
Total business-type activities	20,346,929	26,837,808	-	2,426,106	-	8,916,985	-
Total primary government	\$ 63,392,873	\$ 34,263,176	\$ 70,593	\$ 10,296,752	\$ (27,679,337)	\$ (18,762,352)	\$ -
Component units:							
MEDC	2,766,379	164,579	-	-	-	-	(2,601,800)
Total component units	\$ 2,766,379	\$ 164,579	\$ -	\$ -	\$ -	\$ -	\$ (2,601,800)
General revenues:							
Property taxes					21,333,834	503,426	21,837,260
Sales taxes					7,840,269	-	7,840,269
Franchise taxes					2,466,395	-	2,466,395
Mixed drink taxes					59,152	-	59,152
Hotel/Motel taxes					86,707	-	86,707
Unrestricted investment earnings					1,800,937	953,141	2,754,078
Gain on sale of capital assets					76,393	9,748	86,141
Transfers					662,020	(662,020)	-
Total general revenues					34,325,707	804,295	35,130,002
Change in net assets					6,646,370	9,721,280	16,367,650
Net assets - beginning					212,693,867	92,247,325	304,941,192
Net assets - ending					\$ 219,340,237	\$ 101,968,605	\$ 321,308,842
							\$ 5,046,024

The notes to the financial statements are an integral part of this statement.

Financial Statement

**City of Mansfield
Statement of Net Assets
September 30, 2006**

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	MEDC
ASSETS				
Cash and cash equivalents	\$ 35,980,457	\$ 7,515,164	\$ 43,495,621	\$ 3,614,026
Receivables (net of allowance for uncollectibles)	2,327,647	2,901,069	5,228,716	213,622
Lease receivable	540,000	-	540,000	-
Inventories	-	279,906	279,906	-
Prepays	42,586	225	42,811	5,557
Deferred issuance costs	1,639,974	773,402	2,413,376	262,809
Restricted assets:				
Cash and cash equivalents	-	13,654,863	13,654,863	4,488,750
Capital assets (net of accumulated depreciation):				
Land	89,458,925	372,719	89,831,644	8,820,081
Buildings and systems	17,572,502	102,280,134	119,852,636	-
Improvements other than buildings	4,402,348	1,798,997	6,201,345	135,860
Machinery and equipment	4,000,458	528,040	4,528,498	5,341
Infrastructure	139,038,471	-	139,038,471	-
Construction in progress	24,653,370	14,017,614	38,670,984	-
Total assets	<u>319,656,738</u>	<u>144,122,133</u>	<u>463,778,871</u>	<u>17,546,046</u>
LIABILITIES				
Accounts payable and other current liabilities	4,839,972	1,071,128	5,911,100	281,066
Liabilities payable from restricted assets	-	2,674,794	2,674,794	-
Noncurrent liabilities:				
Due within one year	6,928,654	3,700,843	10,629,497	454,627
Due in more than one year	88,547,875	34,706,763	123,254,638	11,764,329
Total liabilities	<u>100,316,501</u>	<u>42,153,528</u>	<u>142,470,029</u>	<u>12,500,022</u>
NET ASSETS				
Invested in capital assets, net of related debt	210,596,094	91,581,238	302,177,332	1,506,753
Restricted for:				
Debt Service	446,489	3,592,624	4,039,113	-
Unrestricted	8,297,654	6,794,743	15,092,397	3,539,271
Total net assets	<u>\$ 219,340,237</u>	<u>\$ 101,968,605</u>	<u>\$ 321,308,842</u>	<u>\$ 5,046,024</u>

The notes to the financial statements are an integral part of this statement.

Produced by the City of Mansfield Communications & Marketing Department

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